Block Steel Corporation *and* United Steelworkers of America, District 29, AFL–CIO. Case 7–CA–19921

April 30, 1982

DECISION AND ORDER

BY CHAIRMAN VAN DE WATER AND MEMBERS JENKINS AND HUNTER

Upon a charge filed on October 15, 1981, by United Steelworkers of America, District 29, AFL–CIO, herein called the Union, and duly served on Block Steel Corporation, herein called Respondent, the General Counsel of the National Labor Relations Board, by the Regional Director for Region 7, issued a complaint on November 13, 1981, against Respondent, alleging that Respondent had engaged in and was engaging in unfair labor practices affecting commerce within the meaning of Section 8(a)(5) and (1) and Section 2(6) and (7) of the National Labor Relations Act, as amended. Copies of the charge and complaint and notice of hearing before an administrative law judge were duly served on the parties to this proceeding.

On December 21, 1981, counsel for the General Counsel filed directly with the Board a Motion for Summary Judgment, based upon Respondent's failure to file an answer to the complaint as required by Sections 102.20 and 102.21 of the National Labor Relations Board Rules and Regulations, Series 8, as amended. Subsequently, on December 31, 1981, the Board issued an order transferring the proceeding to the Board and a Notice To Show Cause why the General Counsel's Motion for Summary Judgment should not be granted. Respondent failed to file a response to the Notice To Show Cause, and, therefore, the allegations in the Motion for Summary Judgment stand uncontroverted.

Pursuant to the provisions of Section 3(b) of the National Labor Relations Act, as amended, the National Labor Relations Board has delegated its authority in this proceeding to a three-member panel.

Upon the entire record in this proceeding, the Board makes the following:

Ruling on the Motion for Summary Judgment

Section 102.20 of the Board's Rules and Regulations, Series 8, as amended, provides as follows:

> The respondent shall, within 10 days from the service of the complaint, file an answer thereto. The respondent shall specifically admit, deny, or explain each of the facts alleged in the complaint, unless the respondent is without knowledge, in which case the respondent shall so state, such statement operating as a denial. All allegations in the complaint, if no answer is filed, or any allegation in the complaint not specifically denied or explained in an answer filed, unless the respondent shall state in the answer that he is without knowledge, shall be deemed to be admitted to be true and shall be so found by the Board, unless good cause to the contrary is shown.

The complaint and notice of hearing served on Respondent specifically states that, unless an answer to the complaint is filed by Respondent within 10 days from the service thereof, "all of the allegations in the Complaint shall be deemed to be admitted true and may be so found by the Board." Furthermore, according to the Motion for Summary Judgment, on December 1, 1981, the Regional Attorney for Region 7 notified Respondent by mail that the time in which to file an answer was extended to December 11, 1981, and that unless it filed an answer by said date a "Motion for Default Judgment" would be filed.

To date, neither an answer to the complaint nor a response to the Notice To Show Cause has been filed by Respondent. No good cause to the contrary having been shown, under the rule set forth above, the allegations of the complaint herein are deemed to be admitted and are found to be true by the Board. Accordingly, we grant the General Counsel's Motion for Summary Judgment.

On the basis of the entire record, the Board makes the following:

FINDINGS OF FACT

I. THE BUSINESS OF RESPONDENT

Respondent, a Michigan corporation, at all times material herein has maintained its only office and place of business at 13770 Joy Road, Detroit, Michigan, where it has been and is engaged in steel processing. During the year ending December 31, 1980, a representative period, Respondent, in the course and conduct of its business operations, had gross revenues in excess of $500,000, and purchased and caused to be transported and delivered at its Detroit plant goods and materials valued in excess of $50,000 directly from points located outside the State of Michigan. During the same period, Respondent, in the course and conduct of its business operations, manufactured, sold, and distributed at its Detroit, Michigan, plant products valued in excess of $50,000, of which products valued in excess of $50,000 were shipped from said plant directly to points located outside the State of Michigan.

We find, on the basis of the foregoing, that Respondent is, and has been at all times material herein, an employer engaged in commerce within

the meaning of Section 2(6) and (7) of the Act, and that it will effectuate the policies of the Act to assert jurisdiction herein.

II. THE LABOR ORGANIZATION INVOLVED

United Steelworkers of America, District 29, AFL–CIO, is a labor organization within the meaning of Section 2(5) of the Act.

III. THE UNFAIR LABOR PRACTICES

A. *The Unit and the Union's Representative Status*

The following employees of Respondent constitute a unit appropriate for the purpose of collective bargaining within the meaning of Section 9(b) of the Act:

> All production and maintenance employees, including shipping clerks and truck drivers employed by the Employer at its 13770 Joy Road, Detroit, Michigan facility; but excluding all office clerical employees, professional employees, confidential employees, and guards and supervisors as defined by the Act.

At all times material herein, the Union has been and now is the designated exclusive collective-bargaining representative of Respondent's employees in the unit described above within the meaning of Section 9(a) of the Act, and has been recognized as such by Respondent. Such recognition has been embodied in the Union's collective-bargaining agreements with Respondent.

B. *The 8(a)(5) and (1) Violation*

On or about March 13, 1981, the Union and Respondent reached full agreement on a collective-bargaining contract covering the employees in the unit described above, which requires Respondent, *inter alia*, to forward to the Union dues deducted from employee-members' paychecks.

Since on or about April 30, 1981, Respondent has failed and refused to forward said dues to the Union and has thus failed to abide by the terms of its collective-bargaining agreement. Accordingly, by such action, we conclude that Respondent has engaged in and is engaging in unfair labor practices within the meaning of Section 8(a)(5) and (1) of the Act.

IV. THE EFFECT OF THE UNFAIR LABOR PRACTICES UPON COMMERCE

The activities of Respondent set forth in section III, above, occurring in connection with its operations described in section I, above, have a close, intimate, and substantial relationship to trade, traffic, and commerce among the several States and tend to lead to labor disputes burdening and obstructing commerce and the free flow of commerce.

V. THE REMEDY

Having found that Respondent has engaged in unfair labor practices in violation of Section 8(a)(5) and (1) of the Act, by failing and refusing since on or about April 30, 1981, to remit to the Union dues deducted from employees' pay, we shall order Respondent to cease and desist from such conduct. We also shall order Respondent to remit said dues to the Union with interest thereon to be computed in accordance with *Florida Steel Corporation*, 231 NLRB 651 (1977).[1]

CONCLUSIONS OF LAW

1. Block Steel Corporation is an employer engaged in commerce within the meaning of Section 2(6) and (7) of the Act.
2. United Steelworkers of America, District 29, AFL–CIO, is a labor organization within the meaning of Section 2(5) of the Act.
3. Since on or about April 30, 1981, and continuing to date, Respondent, by failing and refusing to remit to the Union dues deducted from employee-members' pay pursuant to the valid dues-checkoff provision in its collective-bargaining agreement with the Union, has engaged in and is engaging in unfair labor practices within the meaning of Section 8(a)(5) and (1) of the Act.
4. The aforesaid unfair labor practices affect commerce within the meaning of Section 2(6) and (7) of the Act.

ORDER

Pursuant to Section 10(c) of the National Labor Relations Act, as amended, the National Labor Relations Board hereby orders that the Respondent, Block Steel Corporation, Detroit, Michigan, its officers, agents, successors, and assigns, shall:

1. Cease and desist from:

(a) Refusing to remit to the Union dues deducted from employee-members' pay pursuant to the valid dues-checkoff provision in its collective-bargaining agreement with the Union.

(b) In any like or related manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed them in Section 7 of the Act.

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[1] In accordance with his dissent in *Olympic Medical Corporation*, 250 NLRB 146 (1980), Member Jenkins would award interest on the unremitted dues based on the formula set forth therein.

2. Take the following affirmative action which the Board finds will effectuate the policies of the Act:

(a) Remit to the Union all dues not properly forwarded as required by the parties' collective-bargaining agreement, with interest, in the manner set forth in the section of this Decision entitled "The Remedy."

(b) Post at its place of business in Detroit, Michigan, copies of the attached notice marked "Appendix."[2] Copies of said notice, on forms provided by the Regional Director for Region 7, after being duly signed by Respondent's representative, shall be posted by Respondent immediately upon receipt thereof, and be maintained by it for 60 consecutive days thereafter, in conspicuous places, including all places where notices to employees are customarily posted. Reasonable steps shall be taken by Respondent to insure that said notices are not altered, defaced, or covered by any other material.

(c) Notify the Regional Director for Region 7, in writing, within 20 days from the date of this Order, what steps Respondent has taken to comply herewith.

[2] In the event that this Order is enforced by a Judgment of a United States Court of Appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."

APPENDIX

NOTICE TO EMPLOYEES
POSTED BY ORDER OF THE
NATIONAL LABOR RELATIONS BOARD
An Agency of the United States Government

WE WILL NOT refuse to remit to the Union dues deducted from employee-members' pay pursuant to the valid dues-checkoff provision in our collective-bargaining agreement with the Union.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce our employees in the exercise of the rights guaranteed them by Section 7 of the Act.

WE WILL remit to the Union, with interest, all dues not properly forwarded as required by our collective-bargaining agreement with the Union.

BLOCK STEEL CORPORATION